# The Pension–Climate Story: Every Key Stat, In Order

*Read top to bottom and it builds: the scale → it's in oil → the greenwashing → it needn't cost you → why it matters → who blocks it → where the power is → what to do. Campaign-sourced figures are marked (est.).*

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## 1. The scale — your pension is bigger than you think

- **£667 billion** sits in UK workplace (DC) pensions.
- Over **11 million people** have been auto-enrolled since 2012.
- **~90%** of savers never leave their scheme's default fund — at Nest, the biggest, it's about **99%**.
- Total UK private pension wealth is around **£6 trillion** — **35% of all UK wealth** (ONS).
- Nest alone has **13.8 million members** and **£49.7 billion**.

## 2. Where the money actually is — it's in oil

- **Not one** of the 20 biggest providers has a fossil-free **default** fund.
- Even Nest's default still holds **Shell, BP, TotalEnergies and Equinor**; oil & gas is ~3% of its main equity fund.
- The 12 biggest providers scored an average of just **4.5 out of 10** on climate — best Nest 5.8, worst Royal London 3.3 *(est.)*
- **7 of the 12** biggest providers confirmed they hold **ExxonMobil** *(est.)*
- Around **£88 billion** of UK pensions is invested in fossil fuels — roughly **£3,000 per saver** *(est.)*

## 3. The greenwashing — 'sustainable' rarely means fossil-free

- Most **'ESG'/'sustainable' funds are carbon 'tilts'** that still hold oil and the same mega-cap tech as a normal tracker.
- Only about **80–135 UK funds** have taken an FCA sustainability label; **~325** sustainability-named funds chose not to (Morningstar).
- BlackRock's 'Climate Transition' fund has a market beta of **1.02** — its top holdings are NVIDIA, Apple, Microsoft, Tesla, basically the index.
- Even 'fossil-fuel-free' Scottish Widows Environmental's **biggest holding is HSBC** (a major fossil financier) at ~9.7%.
- One study of 593 ESG funds found **71% misaligned with the Paris Agreement** (InfluenceMap).

## 4. The myth-bust — and does going green cost you?

- Switching the fund inside your scheme is **free and keeps every employer contribution** — only transferring your whole pot out costs you.
- NYU Stern reviewed **1,000+ studies**: mostly positive or neutral for sustainable investing.
- Friede et al. aggregated **~2,000 studies**: about **90% found no negative** link between ESG and returns.
- The honest exception — 2022: the average ESG fund underperformed energy by roughly **66 percentage points**.
- Credible beats extreme: Baillie Gifford Positive Change fell about **30% in 2022**.
- Going green is cheap: Nest Ethical Fund **0.3%**; PensionBee Climate Plan ~0.75%.

## 5. The dividend addiction

- Shell pays ~**£6.3bn/yr** (2nd-biggest FTSE payer) and BP ~£3.8bn — together ~£10bn, about **£1 in every £8** of all FTSE 100 dividends.
- The **top 5 companies pay 54%** of all UK dividends; the top 15 pay 83% — and two of that top five are oil.
- UK equity-income funds typically hold **7–10% in Shell and BP**.
- In 2020, Shell cut its dividend **66% (first since WWII)** and BP halved its own; UK dividends fell **44% to £61.9bn**.
- UK share buybacks hit **£63.6bn in 2025** — they lift share prices but pay no spendable income.

## 6. Who really owns fossil fuels

- UK individuals directly own just **11.6% of UK shares** (£295bn across all sectors); about **59% is owned by overseas investors** (ONS).
- Direct retail holdings of Shell + BP are only ~**£20–30bn** *(estimate)*
- Shell + BP are worth ~**£270–310bn** combined; Shell is the 3rd-largest FTSE 100 company.
- BlackRock, Vanguard and State Street manage about **$25 trillion** between them.
- Their support for environmental shareholder votes collapsed: BlackRock **~53% (2021) → ~4% (2024)**; Vanguard to 0%; market average 33% → 16%.

## 7. What happens to the money — stranded assets

- **60–80%** of listed fossil-fuel reserves are 'unburnable' under a 2°C limit (Carbon Tracker).
- The IEA says **no new oil and gas fields** are needed in a net-zero pathway.
- Over **$1 trillion** of stranded oil & gas value would fall **mostly on pension-holders** (Nature, 2022).
- Coal's Peabody Energy collapsed from ~$19.7bn (2011) to **~$38m and bankruptcy (2016)** — a ~99% wipeout.
- Clean energy now draws about **$2 for every $1** going into fossil fuels ($2.2tn vs $1.1tn, IEA 2025).

## 8. How shareholder pressure forced the rollback (2024–25)

- Activist fund **Elliott built a ~5% stake in BP** in early 2025, demanding more oil and fewer renewables.

- Feb 2025: BP raised oil & gas investment to **~$10bn/yr, cut transition spending over 70%, and abandoned its 2030 output-cut target**.
- At BP's 2025 AGM, **24% revolted** against the chair — and BP refused to let shareholders vote on the strategy.
- March 2024: Shell **weakened its 2030 target and scrapped its 2035 target**; it distributed ~$22.5bn to shareholders in 2024 and weighed moving to New York.

## 9. The lobby and the money guarding the status quo

- A record **2,456 fossil-fuel lobbyists at COP28** (2023); ~1,600+ at COP30 (2025) — about 1 in every 25 attendees.
- The five biggest oil majors spend ~**$115m a year** on obstructive climate lobbying; over $1bn across 2016–19.
- Banks have lent **$8.7 trillion** to fossil fuels since the Paris Agreement; $906bn in 2025.
- The IMF counts **$7 trillion** of global fossil-fuel subsidies (2022, mostly implicit).
- UK: the Conservatives took **£2.35m** from fossil-fuel interests since 2019; **127 oil execs** moved into UK government roles since 2011 *(DeSmog)*

## 10. Where the leverage really is

- The wealthiest **10% hold 64%** of all private pension wealth; the bottom half hold **under 1%** (ONS, accredited).
- But the bottom 90% still hold **~£2.2 trillion** — and their money is the most fossil-exposed.
- Final-salary (DB) pensions de-risked from **61% shares (2006) to 15% (2024)** — so the wealthy's pots are bond-heavy; the majority's equity-heavy defaults hold more oil (PPF).
- Around **£600bn+ sits in DC default funds where ~90% never move** — the single biggest lever there is.

## 11. What actually works — the counter-movement

- Roughly **£1.5 trillion** of UK pensions has been put on a net-zero track *(est.)*
- Scottish Widows shifted **£2bn** of default money into a climate-transition fund and divested £440m+.
- Over **1,590 institutions with ~$40.7 trillion** have made some divestment commitment; the Church of England pension fund fully exited Shell and oil in 2023.
- Climate-resolution votes at Shell rose from **2.7% (2016) to ~20%**.
- Only about **£1 in every £10** of pension money is invested sustainably — enormous room to move.

## 12. What you do — the close

- **Find it** — free GOV.UK Pension Tracing Service, 0800 731 0175.
- **Switch it** — free, about two minutes, keeps your employer's contributions.
- **Combine** old pots from past jobs (no employer cash at stake on dormant ones).
- **Email HR** to green the default — where 90% of the money sits.
- Self-employed? Only **~20% have a pension** (vs 80% of employees) — start one and go green from day one.

*Sources: ONS (pension wealth, share ownership), TPR & Corporate Adviser (DC assets/defaults), PPF (DB de-risking), AJ Bell & Computershare (dividends), Carbon Tracker, IEA, Nature Climate Change (2022), Morningstar, InfluenceMap, Banking on Climate Chaos, IMF, DeSmog, Make My Money Matter, Follow This, 350.org, Church of England. Figures marked "(est.)" — and the £88bn, 4.5/10 scores and £1.5tn — are campaign or modelled estimates, not official statistics; attribute them. General information, not financial advice. Compiled June 2026.*